

Revenue Information Bulletin No. 21-020**August 28, 2021****Income Tax
Administrative****Request for Written Notice Concerning Disaster or
Emergency-Related Services Rendered by Nonresident Employees and
Nonresident Businesses Due to Hurricane Ida**

Act 358 of the 2017 Regular Session of the Louisiana Legislature provides for an exclusion from either gross income or adjusted gross income for compensation received by either a nonresident business or a nonresident employee for the performance of disaster or emergency-related work relating to critical infrastructure within the state during a declared state emergency. The exclusion applies only for income received in exchange for disaster or emergency-related work related to critical infrastructure that is performed during the declared disaster period, which begins within 10 days of the first day of the declaration or proclamation made by either the governor, the president, or appropriate local government official and ends 60 days after its conclusion, unless a longer period is subsequently authorized.

Declaration of Emergency and Disaster Period for Hurricane Ida

On August 26, 2021, Governor John Bel Edwards issued [Proclamation Number 165 JBE 2021](#), declaring a State of Emergency for the State of Louisiana due to Tropical Storm Ida¹. The Declaration is effective through Monday, September 27, 2021. As such, the disaster period for Hurricane Ida commences on August 26, 2021, and extends through November 26, 2021. The performance of disaster or emergency-related work by a nonresident business or nonresident employee outside of the disaster period for Tropical Storm Laura and Hurricane Marco remains subject to income tax and receives no exclusion.

Performance of disaster or emergency-related work within the declared emergency period for Tropical Storm Laura and Hurricane Marco does not create a physical presence or nexus in the State of Louisiana that would otherwise obligate the nonresident business or nonresident employee to register, file, or remit any income tax otherwise due on the disaster or emergency-related income. However, unless otherwise provided, nonresident businesses and nonresident employees remain obligated for all other tax types, including but not limited to sales tax and corporation franchise tax.

¹ Following issuance of the proclamation, Tropical Storm Ida was upgraded to Hurricane Ida.

A Revenue Information Bulletin (RIB) is issued under the authority of LAC 61:III.101 (D). A RIB is an informal statement of information issued for the public and employees that is general in nature. A RIB does not have the force and effect of law and is not binding on the public or the Department.

Request for Notice from Registered Businesses in Louisiana Requesting Disaster or Emergency-Related Work Assistance from Nonresident Businesses

Pursuant to Act 358, this bulletin shall serve as an official request from the Secretary of the Louisiana Department of Revenue to all registered businesses in the State of Louisiana who are requesting any nonresident business to perform disaster or emergency-related work relating to Tropical Storm Laura and Hurricane Marco to provide written notice to the Department of Revenue concerning all such requests.

The written notice must contain the following information:

1. The name, address, and federal tax identification number of the nonresident business;
2. The date of the request to the nonresident business to perform disaster or emergency-related work;
3. The date and declaration number of the declared state disaster or emergency;
4. A general description of the disaster or emergency-related work requested.

Further, the written notice must include a representative's contact information (name, phone number, and email address), be signed by an authorized officer, owner, or other official of the resident business, and be submitted on official letterhead of the resident business. The written notice must be transmitted, as an attachment via email, to the Department of Revenue at Act358.Notices@la.gov.

For purposes of this requirement, a registered business means any business entity which is registered to do business in the State of Louisiana and was registered before the declaration. A nonresident business means a business entity whose services are requested by a registered business in the state or by a state or local government for purposes of performing disaster or emergency-related work in the state and that prior to the declared state of emergency, the nonresident business was not registered to do business in this state, had no employees, agents, or independent contractors in this state, was not transacting business in this state, and has not filed and is not required to file any state or local tax return in this state.

For questions concerning this matter, please contact the Policy Services Division at (225) 219-2780.

Kimberly J. Lewis
Secretary